Brownstein Hyatt Farber Schreck

April 21, 2015

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Ms. Emily Jackson, Esq. Ralph L. Carr Colorado Judicial Center 1300 Broadway, 7th Floor Denver, CO 80203 Emily.Jackson@state.co.us

Re: XTO Energy v. Pfaltzgraff and Pioneer Natural Resources v. Pfaltzgraff, Case Nos. 2015 CV 030041 and 2015 CV 030042

Dear Ms. Jackson:

As you know, this law firm represents Pioneer Natural Resources USA, Inc. ("Pioneer") and XTO Energy, Inc. ("XTO") (collectively "the companies"). I am trial counsel for the companies in the above-captioned actions, which were filed in the District Court for Las Animas County yesterday afternoon. The actions seek judicial review of portions of the Water Quality Control Division's March 19, 2015 Orders denying the companies' requests for a stay of the compliance periods for whole effluent toxicity ("WET"), iron, and electrical conductivity/sodium absorption ratio ("EC/SAR") in the discharge permits under which the companies currently operate in the Raton Basin. I enclose the summons, complaint (with exhibits) and an acceptance of service form for each action. Please complete each and return them to me at the e-mail address on this letter. If your clients will not authorize you to accept service, please let me know immediately.

I write to notify you of the actions and to request that you remind your clients of their duties to preserve any and all documents and communications that may be relevant to any claims and issues that could arise in the actions. Such claims and issues include, but are not limited to: the basis or bases for the Division's denial of the companies' requests for stay and the reasoning behind the Division's representations to the companies that the compliance periods under the current permits were intended to avoid their coming into force before the issuance of renewal permits for the same outflows.

Your clients have a duty to preserve all paper and electronic information that may be related in any way to the actions. Your clients must preserve any written documents that they have, or that are reasonably in their possession, custody or control, as well as any

electronic information stored on their current or former computer or data systems. Electronically stored information includes, for example, e-mails; voicemails; text messages; instant messages; Word or WordPerfect documents; spreadsheets; databases; telephone logs; audio recordings; videos; photographs or images; information contained on desktops, laptops, tablet computers, smartphones, or other portable devices; calendar records and diary data. If information is in both electronic and paper forms, your clients should preserve both forms. As you know, failure to abide by this request could result in significant penalties, and could form the basis of legal claims, legal presumptions, or jury instructions relating to spoliation of evidence.

With this in mind, please confirm that your clients have not deleted, modified, overwritten, or otherwise permitted the possible destruction of the information described above, including electronic information. Your clients and any of their agents, employees, contractors, service providers, vendors, or other agents or representatives should take all reasonable steps to preserve the above-described information. If you have not already done so, please inform such individuals or entities (including any managers and information technology personnel) of the above requirements immediately.

All of the foregoing said, the companies remain open to exploring possibilities for reaching a prompt, comprehensive settlement of all claims, and continue to believe that an expeditious non-judicial resolution is in the interest of all parties.

Please do not hesitate to contact me if you have any questions regarding this letter or wish to discuss these issues further.

Regards,

Christopher O. Murray

Cc: Ronda Sandquist, Esq.

Michael Cannon (XTO Energy, Inc.)

Douglas Wall (Pioneer Natural Resources USA, Inc.)

Encl: Summons, Complaint and Acceptance of Service (2015 CV 030041)

Summons, Complaint and Acceptance of Service (2015 CV 030042)